

ORIGINAL

United States District Court

NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

2017 MAR 22 PM 3:55

UNITED STATES OF AMERICA

JUDGMENT IN A CRIMINAL CASE
ED KINKEADE, CLERK
(For Organizational Defendants)

v.

ZTE CORPORATION

Case Number: 3:17-CR-00120-K (01)

Wendy Wysong and Mike Gibson

Defendant Organization's Attorney

THE DEFENDANT ORGANIZATION:

pleaded guilty to count(s) to the 3 Count Information filed on March 7, 2017.
 pleaded nolo contendere to count(s)
which was accepted by the court
 was found guilty on count(s) after a
plea of not guilty

The organizational defendant is adjudicated guilty of these offenses:

<u>Title & Section / Nature of Offense</u>	<u>Offense Ended</u>	<u>Count</u>
50 U.S.C § 1705; 31 C.F.R Part 560; 15 C.F.R § 764.2(a)-(e)	- Conspiracy to Unlawfully Export	04/01/2016 1
18 U.S.C § 1503	- Obstruction of Justice	04/01/2016 2
18 U.S.C. § 1001	- False Statements to Federal Investigators	07/08/2015 3

The defendant organization is sentenced as provided in pages 2 through 5 of this judgment.

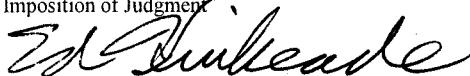
The defendant organization has been found not guilty on count(s)
 Count(s) is are dismissed on the motion of the United States

It is ordered that the defendant organization must notify the United States attorney for this district within 30 days of any change of name, principal business address, or mailing address until all fines, restitution, costs, and special assessments imposed by this judgment are fully paid. If ordered to pay restitution, the defendant must notify the court and United States attorney of material changes in economic circumstances.

Defendant Organization's
Federal Employer I.D. No.: N/A

March 22, 2017

Date of Imposition of Judgment

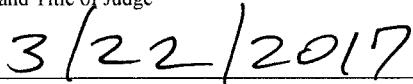


Signature of Judge

Defendant Organization's Principal Business Address:
No. 55, Hi-tech Road South
Shenzhen, Guangdong Province
The People's Republic of China

Ed Kinkeade, United States District Judge

Name and Title of Judge



Date

Defendant Organization's Mailing Address:

Same as above.

DEFENDANT ORGANIZATION: ZTE CORPORATION
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PROBATION

The defendant organization is hereby sentenced to probation for a term of: **THREE (3) Years on each of Counts 1, 2, and 3 with said terms to run concurrently, for a Total Term of 3 Years Probation.**

The defendant organization shall not commit another federal, state or local crime.

If this judgment imposes a fine or a restitution obligation, it is a condition of probation that the defendant organization pay in accordance with the Schedule of Payments of this judgment.

The defendant organization must comply with the standard conditions that have been adopted by this court as well as with any additional conditions on the attached page (if indicated below).

STANDARD CONDITIONS OF SUPERVISION

- 1) the defendant shall cooperate fully in all inquiries by the court-appointed monitor as described in the plea agreement and agreed order appointing corporate monitor.;
- 2) the defendant organization shall permit the court-appointed monitor to visit the organization at any of its operating business sites;
- 3) The defendant organization shall notify the court-appointed monitor within seventy-two hours of any criminal prosecution, major civil litigation, or administrative proceedings against the organization occurring in the United States of America.;
- 4) the defendant organization shall not dissolve, change its name, or change the name under which it does business unless this judgment and all criminal monetary penalties imposed by this court are either fully satisfied or are equally enforceable against the defendant's successors or assignees.

DEFENDANT ORGANIZATION: ZTE CORPORATION
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SPECIAL CONDITIONS OF SUPERVISION

See Attachment A (Modified) Independent Corporate Compliance Monitor, filed in the record of this case.

DEFENDANT ORGANIZATION: **ZTE CORPORATION**
CASE NUMBER: **3:17-CR-00120-K (01)**

CRIMINAL MONETARY PENALTIES

The defendant organization must pay the total criminal monetary penalties under the schedule of payments.

	<u>Assessment</u>	<u>JVTA Assessment*</u>	<u>Fine</u>	<u>Restitution</u>
TOTALS	\$1,200.00	\$0.00	\$286,992,532.00	\$0.00

The determination of restitution is deferred until *An Amended Judgment in a Criminal Case (AO245C)* will be entered after such determination.

The defendant organization must make restitution (including community restitution) to the following payees in the amount listed below.

If the defendant organization makes a partial payment, each payee shall receive an approximately proportioned payment, unless specified otherwise in the priority order or percentage payment column below. However, pursuant to 18 U.S.C. § 3664(i), all nonfederal victims must be paid before the United States is paid.

Restitution amount ordered pursuant to plea agreement \$

The defendant organization shall pay interest on restitution and a fine of more than \$2,500, unless the restitution or fine is paid in full before the ninetieth day (90) after the date of the judgment, pursuant to 18 U.S.C. § 3612(f). All of the payment options may be subject to penalties for delinquency and default, pursuant to 18 U.S.C. § 3612(g).

The court determined that the defendant organization does not have the ability to pay interest, and it is ordered that:

the interest requirement is waived for the fine restitution

the interest requirement for the fine restitution is modified as follows:

* Justice for Victims of Trafficking Act of 2015, Pub. L. No. 114-22

** Findings for the total amount of losses are required under Chapters 109A, 110, 110A, and 113A of Title 18 for offenses committed on or after September 13, 1994, but before April 23, 1996.

DEFENDANT ORGANIZATION: **ZTE CORPORATION**
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SCHEDULE OF PAYMENTS

Having assessed the organization's ability to pay, payment of the total criminal monetary penalties is due as follows:

A Payments of \$ \$286,992,532.00, due immediately, balance due
 no later than 90 days from the date of Judgment.
 in accordance with C or D below; or

B Payment to begin immediately (may be combined with C or D below); or

C Payment in _____ (e.g., equal, weekly, monthly, quarterly) installments of \$ _____ over a period of _____ (e.g., months or years), to commence _____ (e.g., 30 or 60 days) after the date of this judgment; or

D Special instructions regarding the payment of criminal monetary penalties:

All criminal penalties are made to the clerk of the court.

The defendant organization shall receive credit for all payments previously made toward any criminal monetary penalties imposed.

Joint and Several

Defendant and Co-Defendant Names and Case Numbers (including defendant number), Total Amount, Joint and Several Amount, and corresponding payee, if appropriate.

The defendant shall pay the cost of prosecution.

The defendant shall pay the following court cost(s):

The defendant organization shall forfeit the defendant organization's interest in the following property to the United States:

Pursuant to Paragraph 13(b) of the Plea Agreement, ZTE Corporation shall pay to the United States a forfeiture money Judgment in the Amount of \$143,496,266. This amount is payable to the United States Marshal's Service for further disposal through the Department of Justice's Money Laundering and Asset Recovery Section according to law. If ZTE Corporation does not pay the United States a forfeiture money judgment in the amount of \$143,496,266 within ninety (90) days after the date of sentencing, pursuant to Paragraph 13(c) and (d) of the Plea Agreement, the Government may seek to forfeit any of ZTE Corporation's assets, or any assets of its U.S. subsidiary, ZTE USA, Inc., real or personal, that are subject to forfeiture under any federal statute.

Payments shall be applied in the following order: (1) assessment, (2) restitution principal, (3) restitution interest, (4) fine principal, (5) fine interest, (6) community restitution, (7) JVTA Assessment, (8) penalties, and (9) costs, including cost of prosecution and court costs.